

1 A Correct.

2 Q Okay. So you sell advertising, as I understand it, in  
3 that Kenai Soldotna area on K Bay and KPEN.

4 A As well as K Wave, yes.

5 Q Okay. And he has a policy that if you buy advertising  
6 on one of his stations he gives you the other three  
7 free?

8 A That's been our experience. I don't know if that's his  
9 policy. I think it's more or less whatever he needs to  
10 do in order to make sure that the revenue flows his way  
11 than our way.

12 Q When did you first run into this policy of Davis'?

13 A It all started back when Chester Coleman and there was  
14 a discrepancy as to who owned KS -- KSLD and K Kiss is  
15 when we first saw it. Chester Coleman owned KSLD and K  
16 Kiss and John Davis owned KSRM and WHQ and they had a  
17 local marketing agreement of some sort in place and  
18 John started marketing all four of the stations at that  
19 time.

20 Q So Davis is selling four stations against your two  
21 stations?

22 A Our two local stations in the area, yes.

23 Q And he has a policy that he'll -- did you say he'll  
24 beat your rate, card rate, and give the other sta --  
25 three stations for free or what is his policy?

1     A     Well, the way we've heard it from clients in the field  
2           is is that, you know, we're charging, you know, rate  
3           card for each individual station and they're paying  
4           rate card for a single station and are being bonused  
5           two or three stations.

6     Q     So what's the net effect of that?

7     A     The net effect of that is is we either bring our rates  
8           down to be competitive or we don't -- we don't get the  
9           buy.

10    Q     I see. Now you indicated in your testimony earlier  
11           that apparently this FCC proceeding is something of a  
12           factor in your ability to sell advertising. Is that a  
13           fair characterization?

14    A     Yes sir.

15    Q     How does that work? Has it been a factor?

16    A     Well, at different points in times it's taken on  
17           different factors. One factor is, you know, the -- our  
18           -- for instance we have several clients that aren't on  
19           the air in Kodiak right now because they work with the  
20           FCC in different areas and they don't want any trouble  
21           from the FCC or with our radio stations so they have  
22           chosen to stay off of the air. and I'm speaking  
23           primarily to wireless services out there. They would  
24           just rather sit back and wait and see what happens  
25           before they -- they start advertising with us.

1 Q So are you saying that they don't advertise because  
2 they're afraid if they do they'll have FCC problems?

3 A Well, when you talk to people you get all kinds of  
4 different things that are said, you know how that goes.  
5 But basically the two -- the -- the primary reasons  
6 when I spoke with them was is they're FCC regulated and  
7 they don't want to become involved with us until they  
8 see what happens with the FCC. So that was just kind  
9 of their -- their statement. So -- in -- in another  
10 situation, you know, the -- John Davis has taken out  
11 full page ads in the paper up there proclaiming that,  
12 you know, we're operating illegally and that we're a  
13 pirate station and that nobody should advertise with us  
14 because we could be off the air tomorrow and that their  
15 advertising would, you know, be ineffective. And, you  
16 know, when you keep having those type of innuendoes  
17 thrown up at you before it's even decided in a court of  
18 law you say it enough times and it becomes the truth in  
19 certain people's minds.

20 Q So are there advertisers who have withdrawn advertising  
21 or refuse to advertise because of this FCC proceeding?

22 A Yes.

23 Q Have there been newspaper articles in the markets in  
24 which you sell advertising about this FCC proceeding?

25 A Yes, there have.

1 Q And has that had a positive impact on your ability to  
2 sell advertising or a negative impact?

3 A Negative, especially when someone takes that article  
4 and faxes it to every ad agency in the country.

5 Q Has that happened?

6 A Yes sir, it has.

7 Q Who did that?

8 A John Davis.

9 Q In these newspaper articles do they quote FCC  
10 employee.....

11 A I.....

12 Q .....indicating that you're operating illegally?

13 A I don't recall. I think that they -- most of them have  
14 referred to the Orders that have been handed down. So  
15 if that's what you mean by quoting FCC personnel, yes.

16 Q So they -- these newspaper articles have quoted from  
17 FCC decisions or.....

18 A Yes. Usually what has wound up happening is is they  
19 get faxed a copy of the -- the Order after it becomes  
20 public knowledge and then they start a story from there  
21 and follow up on it.

22 Q So you're -- are you testifying that your competitor  
23 used the existence of this FCC proceeding to negatively  
24 impact your business and to hurt you competitive?

25 A I would say that that is true, yes.

1 Q And based on your sales experience what has this meant  
2 in lost revenues? Are we talking about 10's of  
3 dollars, 100's, 1,000's, 10's of 1,000, 100's of 1,000?

4 A From a personal standpoint I have seen about -- well,  
5 I'm making about \$2,000.00 less this year than what --  
6 per month than what I was making last year  
7 approximately. You know, my paychecks -- I -- I've  
8 seen it in my paycheck. As a whole for the station I  
9 would say it's probably affected 20 to -- on the  
10 conservative side 20 to 30 percent of our revenue,  
11 maybe as much as 40 percent.

12 Q Cost you as much as 40 percent of the normal revenue  
13 you would have.

14 A Yes.

15 Q Now if -- you're the Sales Manager so you do sales  
16 projections and you -- I assume. And you have  
17 expertise in the market and have some idea of the  
18 extent of radio revenues in the market?

19 A You're starting to scare me when you say expertise, but  
20 go ahead.

21 Q Well, would you agree that that's true?

22 A Yes.

23 Q Okay. If Mr. Becker's position's vindicated are you  
24 going to be able to recoup that 40 percent of revenues  
25 that you've lost over the course of this FCC

1 proceeding?

2 A I seriously doubt it.

3 Q Is there irreparable injury then?

4 A I would say so, yes.

5 Q So if he's right Peninsula Communications has been  
6 damaged by this FCC proceeding. Would it be, again,  
7 10's of 1,000's of dollars, 100's of 1,000's of  
8 dollars, or can you put a estimate on it?

9 A Well, from -- from Mr. Becker's standpoint I would say  
10 probably 100's of 1,000's of dollars. By the time --  
11 by the time he gets done with court fees and -- and  
12 your fees I would say that yeah, well into.....

13 Q How about revenues though?

14 A In revenues? Well, knowing what we used to do in  
15 Kodiak, or, you know, what -- when Glenn was here, I  
16 would say that we've lost several \$100,000.00 out of  
17 that market in the six years that we've been off. So I  
18 would say well into the \$100,000.00's.

19 Q As a result of this FCC negative publicity.

20 A Correct.

21 Q And are you saying this 100's of 1,000's, that's sort  
22 of -- is that group wide? Taking into account all the  
23 stations or.....

24 A I would say taking into all. Again, I don't have -- I  
25 don't have the -- the where with all to tell you what

1 the station was making prior to or what it's making  
2 currently. You know, those -- that's handled by  
3 someone else, that's not my department.

4 Q I see.

5 A I know what -- I know what we're doing -- what Gary and  
6 I are doing sales wise and I know the struggles that  
7 we've had over this past couple of years.

8 Q In a typical month, say over the past year, how many  
9 times would you say you've run into this refusal to buy  
10 or negative impact in your sales effort as a result of  
11 this proceeding? Say in an average month.

12 A It varies, but we hear rumblings of it at least two to  
13 three times a month.

14 Q Two or three times.

15 A Yes.

16 Q Okay. Now are there any sources for this other than  
17 Mr. Davis and newspaper articles?

18 A Sources for what sir?

19 Q Publicity on this proceeding.

20 A No.

21 Q I mean have there been -- has there been television  
22 coverage?

23 A No.

24 Q Okay. How about Mr. Davis' radio stations, do they  
25 ever put out news items or stories about the FCC

1 proceeding?

2 A Yes, every time -- every time one of the -- I don't  
3 know what you call it, but anytime that -- that action  
4 from the FCC has been made public and been provided to  
5 their lawyer it's been a news item on their stations.

6 Q So they promote it in the news.

7 A Yes.

8 Q So your bad news is their good news, is that the way it  
9 works?

10 A Yes.

11 Q And typically do you run -- what happens after these  
12 stories run, have you had an experience -- had you  
13 gotten any feedback?

14 A Typically what winds up happening is I hear about it  
15 from my clients when I go into their office, they want  
16 to know, you know, what's up or what's going on. We  
17 get calls at the station wanting to know whether or not  
18 it's true.

19 Q Does this pending FCC proceeding, has that been a  
20 factor in your decision to leave?

21 A Yes, it has.

22 Q To your knowledge has Mr. Becker lost other employees  
23 as a result of this FCC proceeding?

24 A I believe that he has, yes.

25 (Pause)



1 Q Do you have any knowledge of the revenues that Mr.  
2 Davis is generating through the operation of his  
3 station?

4 A No, none whatsoever.

5 Q Do you know whether Mr. Davis himself has been the  
6 subject of an FCC proceeding?

7 A I don't know. I know he had one pending, he -- there  
8 was some question as to whether or not he had paid a  
9 fine that he had for illegal sale and transfer of the  
10 stations of KSLD and K Kiss, but I don't know what the  
11 standing currently is on that.

12 Q I see. Do you have any copies of this media  
13 information Mr. Davis has handed out regarding this  
14 proceeding?

15 A I don't. Most everything -- anytime an article breaks  
16 in the paper I've faxed it to Dave Becker.

17 Q Doesn't -- but didn't you tell me that Davis hands out  
18 some sort of promotional material about Peninsula?

19 A Well, what he'll do is when -- when an article -- what  
20 he'll do is like when he gets the -- a fax from the --  
21 from his lawyer or from the FCC it's been made  
22 available to whoever wants to see it. I don't know if  
23 he's actually handed that out publicly but I know that  
24 it's been faxed over to the -- like the -- the local  
25 newspaper and then they take it from there.

1       Q     So as Sales Manager of the Peninsula group of stations  
2             how would you characterize the impact that this FCC  
3             proceeding has had on the business of the station, this  
4             station?

5       A     Well, it -- it's hurt. You know, I -- typically when a  
6             story like that breaks and it gets faxed out to all the  
7             agencies then the agencies have to turn around and have  
8             an obligation to their client to call me and to  
9             question what it is that's going on. In the time that  
10            I'm bolstering their confidence in us as a radio group  
11            and our ability to meet their needs, that's time that's  
12            taken away from me spending with, you know, new and --  
13            and potential clients.

14      Q     Well, on a scale of one to 10, one being no impact and  
15             10 being absolute disaster, what number would represent  
16             the impact this has had on the revenues of the  
17             Peninsula group?

18      A     Well, we're still afloat so I mean it hasn't been  
19             catastrophic, I mean it hasn't forced us out. But I  
20             would say depending on the time of the year between a  
21             four and a six, maybe a seven.

22      Q     Okay, thank you, that's all I have.

23             MS. LANCASTER: I have a few follow up questions.

24             MR. SOUTHMAYD: Okay.

25             MS. LANCASTER: Just a minute.

## REDIRECT EXAMINATION

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

BY MS. LANCASTER:

Q Mr. Coval, give me the names of the clients, the potential clients who told you that Davis was giving away three stations for free.

A Scott Cun -- Scott Cunningham.

Q Wait a minute, hold on. And who is he with?

A Peninsula McDonalds.

MR. SOUTHMAYD: Excuse me, is that McDonalds as in the hamburger?

THE WITNESS: Yes.

MR. SOUTHMAYD: Okay.

Q Okay. Who else?

A Mike Sweeney, Sweeney's Clothing.

Q And when did Mike Sweeney tell you that?

A In the course of conversation.

Q When?

A I -- I don't.....

Q How long ago?

A Within the last two years or so.

Q So that could have been as much as two years ago that he told you that?

A Yes.

Q And how about the McDonalds, when was that?

A Same time frame.

- 1 Q Okay. Anybody else?
- 2 A I could check with Gary, but no, that's the -- those
- 3 are the two that I know of off the top of my head.
- 4 Q So nobody in the -- within the last -- nobody anytime
- 5 recently has made any comment to you about it one way
- 6 or another that.....
- 7 A No, it wouldn't have.....
- 8 Q .....that they're doing that?
- 9 A .....it wouldn't have come up in the last six months
- 10 because this is a political year.
- 11 Q Okay. When Scott Cunningham made that comment to you
- 12 within the last two years, you know, could be two years
- 13 ago, did you still sell him some ads?
- 14 A Yes.
- 15 Q Okay. So it didn't hurt you at all.
- 16 A Well, yes, it did, because I had to make the package
- 17 comparable.
- 18 Q Okay. And how about Mike Sweeney, did you sell him
- 19 advertising also?
- 20 A Yes, I did.
- 21 Q Who -- what's the name of the wireless company that
- 22 refused to advertise with you because of this
- 23 proceeding?
- 24 A Kodiak Wireless.
- 25 Q Who'd you talk to?

1 A Jeff somebody, I don't remember his last name.

2 Q And how long ago was that?

3 A Last contact I had with him was just before Comfish in  
4 April.

5 Q April of this year?

6 A April of this year.

7 Q So have they ever advertised with you?

8 A Yes. They were advertising with us just prior to --  
9 prior to the conversation I had with him and the local  
10 radio station out there had contacted them and informed  
11 them of what was going on and it was shortly after that  
12 they decided that they would -- they chose not to  
13 advertise with us.

14 Q So they've not advertised with you since?

15 A No, they have not.

16 Q And what approximately -- what amount of money  
17 approximately did you make off of their advertising?

18 A Somewhere in the range of about \$1,500.00.

19 Q \$1,500.00 total?

20 A Total before they cancelled, yes. Actually it was --  
21 the time order had expired and I went back in for  
22 renewal and they had decided that they didn't want to  
23 advertise with us.

24 Q So they had advertised with you once before, you had  
25 one time order from them.....

- 1     A     That's when.....
- 2     Q     .....previous to that conversation?
- 3     A     No ma'am, that was prior to us going back on the air in
- 4           Kodiak. Previous to that I had -- they used to spend
- 5           anywhere from \$300.00 to \$500.00 a month.
- 6     Q     And when did they do that?
- 7     A     When we were on the air in Kodiak previously. Kodiak
- 8           Wireless is a new division of Kodiak Electric
- 9           Association and KEA advertised with us all of the time.
- 10    Q     Have you approached Kodiak Wireless since April?
- 11    A     No, I have not.
- 12    Q     Okay.
- 13    A     That was just prior to the conversation that Mr. Becker
- 14           and I had about just maintaining the status quo until
- 15           we found out what was going on because he didn't want
- 16           to build an audience and -- and then have all that
- 17           jerked out from underneath the -- the community out
- 18           there again.
- 19    Q     Okay. Well what other companies have refused to
- 20           advertise with you because of this proceeding?
- 21    A     It's not so much refused as -- as much as it is they
- 22           found out about it and then we saw budgets that were
- 23           cut because budgets were spread between the two
- 24           stations rather than just being left with our radio
- 25           group. Go ahead.

1 Q I'm sorry, go ahead.

2 A To what extent that has happened I cannot tell you. I  
3 can't tell you that they took X number of dollars and  
4 put it over here because they don't tell me that. But  
5 what I see is Safeway. I had an order in place for  
6 Safeway. Safeway found out about the proceedings that  
7 were going on, they came back, they cut their order and  
8 for -- they had placed the order then came back,  
9 revised the order and just bought one station which was  
10 KPEN for the Kenai Soldotna market, whereas before they  
11 were looking at two, possibly three stations, but they  
12 decided that since that's where their store was they  
13 wanted to make sure that their advertising was still on  
14 the air in the event that the translators went silent.

15 Q And when did that occur?

16 A About this time last year.

17 Q Subsequent to -- let me -- strike that. How do you  
18 know that they heard about the FCC proceeding and that  
19 the FCC proceeding is what -- the reason that they made  
20 that decision?

21 A Because the client told me.

22 Q Okay. Who?

23 A Kim Calderon.

24 Q Kim who?

25 A Kim Calderon.

1 Q Can you.....

2 A C-A-L-D-E-R-O-N.

3 Q Okay.

4 A With Dailey and Associates out of Los Angeles.

5 Q That's the advertising agency?

6 A Correct. For Safeway. And Nerland Agency out of

7 Anchorage.

8 Q Wait a minute. Spell it for me.

9 A Nerland, N-E-R-L-A-N-D, Agency.

10 Q Who at that agency?

11 A It was either Lori Caup, last name L-O -- first name L-

12 O-R-I, C-A-U-P. And I'm trying to think of the other

13 girl. Cathy Norford, N-O-R-F-O-R-D.

14 Q And what did they tell you?

15 A That they had received the fax and they were

16 questioning whether or not we were going to continue

17 being on the air or not because they had some buys that

18 were coming up. And when I told them what was going on

19 and -- and my assertion as to what the situation was

20 they told me that they would take it under advisement

21 and would get back to us. And we saw buys shortly

22 after that, but how much, you know, that -- that fax

23 and those proceedings had in relation to that I

24 couldn't tell you. I do know that they used to spend

25 about \$2,500.00 a year with us -- I mean \$2,500.00 a



1 month with us and they're currently spending about  
2 \$1,500.00 a year now. And I firmly believe that it's  
3 due to some of the questions that have been raised.

4 Q But you don't know that, do you?

5 A No, but based on the conversations that I've had with  
6 the agency and then the cuts coming shortly after that  
7 it's just a natural assumption to make I guess.

8 Q But you told me, for example, that a lot of national  
9 companies have cut their advertising since 9/11,  
10 they've cut their advertising budgets. Do you  
11 recall.....

12 A This was prior -- this was prior to that.

13 Q Do you recall telling me that?

14 A Yes, I do.

15 Q So you don't know if they've cut their budget or what  
16 the circumstances are, do you?

17 A The -- the -- the -- to answer your question, no, I  
18 don't know that. But the case in question with the  
19 McDonalds issue, with the Nerland Agency, was prior to  
20 9/11.

21 Q Now is the Nerland Agency McDonalds?

22 A Nerland Agency handles Peninsula McDonalds, yes.

23 Q Oh, okay. Hold on.

24 A As well as ACS Wireless and several other accounts.

25 Q Any others?

- 1     A     I -- not off the top of my head.
- 2     Q     Okay.  The newspaper articles that you were asked about
- 3           by Mr. Southmayd.
- 4     A     Uh-huh (affirmative).  Yes ma'am.
- 5     Q     No one from the FCC was quoted in any of those
- 6           articles, is that correct?
- 7     A     Not directly, no.  They were -- they were orders that
- 8           were handed down that were quoted.
- 9     Q     Okay.  So there were no people, specific people quoted,
- 10          were there?
- 11    A     No, not to the best of my knowledge.
- 12    Q     And in the newspaper articles, didn't those articles
- 13          contain statements from Mr. Becker in rebuttal?
- 14    A     He was interviewed, yes.
- 15    Q     Yes.  And when he was interviewed -- he was quoted in
- 16          the paper, wasn't he?
- 17    A     I believe so, yes.
- 18    Q     And in each case he indicated that he was being wronged
- 19          by the FCC, didn't he?
- 20    A     I don't think it was so much that he was saying he was
- 21          being wronged by the FCC as much as it was that he had
- 22          not had his day in court.
- 23    Q     And who does he blame for that?
- 24    A     Ultimately I guess the FCC.
- 25    Q     Okay.  So basically Mr. Becker got to tell his story

1 and got it in print through these newspaper articles.

2 A Toward the tail end he did. The first four or five  
3 times -- I shouldn't say four or five times because I  
4 don't know exactly how many times it's happened, but  
5 the -- the first couple of articles that had come out  
6 were very derogatory and very slanted. And he  
7 basically had informed the individual that was doing  
8 the interview that if the articles were going to  
9 continue to be of that nature then he wasn't going to -  
10 - to even comment. And the individuals that have done  
11 them since then have done a fairer job of reporting,  
12 yes.

13 Q So they were slanted as far as PCI is concerned?

14 A No, they were slanted pretty much basically the same  
15 way that the letters that have been printed by John  
16 Davis in the paper have been slanted. They basically  
17 came right out and said that he was operating  
18 illegally.

19 Q And.....

20 A Not.....

21 Q .....you don't think he's operating illegally,  
22 therefore.....

23 A I wouldn't still be here.....

24 Q .....that was a lie to you.

25 A I wouldn't say it was a lie, I think it's a -- no, I

1           wouldn't call it a lie, I think it's -- it's.....

2       Q     Then how would you characterize it?

3       A     Well, anytime -- my opinion on the whole thing is is  
4           anytime you get in a court of law anything's open to  
5           interpretation and I think that in this particular case  
6           you guys have one interpretation of the law and Mr.  
7           Becker has a different interpretation of that law and  
8           that's why it's going to the extent that it has is  
9           because nobody has really been able to determine what  
10          the definition of that law is.

11      Q     How often have these newspaper articles been -- when  
12          did they occur and how often have they occurred?

13      a     Typically right after a release from the FCC.

14      A     So when was the last one?

15      A     Well, let me put it to you this way, the -- we usually  
16          wind up getting our notice after the article breaks in  
17          the paper, so.

18      Q     So when was the last one?

19      A     Just prior to me leaving on vacation or thereabouts.

20      Q     When was that?

21      A     I left in July so sometime between May and June,  
22          somewhere right around in there.

23      Q     When was the first one?

24      A     A couple years ago now.

25      Q     You just indicated to Mr. Southmayd that PCI's revenues

1           were down 20 to 40 percent because of the FCC  
2           proceeding. Do you recall saying that?

3     A     Yes.

4     Q     When I asked you about revenues you indicated to me you  
5           couldn't answer any of my questions about revenue. So  
6           how can you say they're down 20 to 40 percent if you  
7           don't know what the revenues are?

8     A     I don't, that's -- and that -- I thought I made that  
9           clear earlier on, I don't know what the revenues are.  
10          And when Mr. Southmayd asked me I specifically said  
11          that's not an area that I'm responsible for, it's -- I  
12          don't take care of the bookkeeping, I don't keep track  
13          of that. He asked my opinion and I gave my opinion.

14    Q     I asked you specifically what you estimated the Kodiak  
15          loss of revenue would be if you lose the -- well, no I  
16          di -- take that back, strike that. I asked you  
17          specifically about estimated loss of revenue earlier in  
18          my questions and you were unable to answer me.

19    A     Uh-huh (affirmative).

20    Q     But yet you just said that you think that the Kodiak  
21          market has lost several \$100,000.00 due to negative  
22          publicity.

23    A     From the very beginning of this whole thing, yes.

24    Q     Okay. Now you've told me that one of the reasons  
25          there's less revenue in Kodiak is because Mr. Becker

1           has determined that he does not want to try to sell  
2           advertising in Kodiak at this time.

3       A     No -- well, yes and no. His comment to me was is  
4           basically we can't afford to be sending me out there to  
5           build a base and to build revenue in Kodiak and -- and  
6           then have, you know, the proceedings go against us and  
7           us lose that market, he did not want me putting that  
8           inv -- that effort into rebuilding something out there  
9           that we may or may not have.

10      Q     I understand that. And tell me how that differs from  
11           what I just said.

12      A     What did you say?

13      Q     I said didn't you tell me that Mr. Becker has made a  
14           decision not to go after sales -- advertising sales in  
15           Kodiak at this time?

16      A     Well, the difference being is is that you're looking at  
17           it from a dollar and cents standpoint and the fact that  
18           you're saying that he's -- that his purpose is to be  
19           there to generate sales. And he's looking at it from  
20           not only that standpoint but he's looking at it from  
21           the standpoint of the community as well. He does not  
22           want to -- when we went off the air out there the first  
23           time when they tore down the White Alice site our phone  
24           lines rang off the hook with people wanting us back on  
25           the air. He did not want to get into a situation where

1           he gave them false hope within the community that we  
2           were going to be back there and -- and doing all of  
3           this stuff and then have that all jerked out from  
4           underneath them.

5       Q     Mr. Coval, please just answer the question as I ask it.  
6           Hasn't Mr. Becker told you not to pursue advertising  
7           sales in Kodiak at this time?

8       A     No.

9       Q     Okay. Are you actively trying to sell advertising in  
10          Kodiak at this time?

11      A     I have several clients on the air in Kodiak, I am not  
12          currently making trips to Kodiak to actively sell to  
13          that market.

14      Q     So if someone contacts you or if it's an old client  
15          that has a standing order you'll take care of them.....

16      A     Yes ma'am.

17      Q     .....is that basically right?

18      A     Yes ma'am.

19      Q     But you aren't going out trying to get business in  
20          Kodiak, are you?

21      A     Not actively going out there.....

22      Q     Okay.

23      A     .....to do so, no.

24      Q     And don't you think that that affects the amount of  
25          revenue that you have coming in from Kodiak?

1 A Yes.

2 Q Okay. And what -- I'm also interested because you've  
3 indicated to Mr. Southmayd that there has been at least  
4 \$100,000.00 of lost revenue in that market due to  
5 negative publicity. Before the negative publicity came  
6 around what was the revenue being generated in that  
7 market?

8 A I don't know.

9 Q How can you say then that there's \$100,000.00 lost?

10 A Because I was asked my opinion.

11 Q And based on that, your opinion, what was the revenue  
12 generated before the negative publicity showed up?

13 A I know when Glenn was out there prior to me taking over  
14 as General Sales Manager I've heard figures of  
15 \$100,000.00 to \$120,000.00, \$150,000.00 in good years  
16 in revenue. There's a lot of things that have changed  
17 since then within that market. But when I took over as  
18 Sales Manager I think the first year, that was during  
19 that year that the White Alice site was tore down, I  
20 saw about \$6,000.00 in revenue.

21 Q Do you remember me asking you if you had been told when  
22 you took over that area if you'd been given any figures  
23 as to what could be expected, what kind of income or  
24 revenues could be expected to be generated from that  
25 territory and you told me no, you were not told



1 anything?

2 A Not specifically.

3 Q You don't remember that testimony?

4 A No, I -- well, yes and no. I -- I -- rephrase the  
5 question for me please.

6 Q Do you recall me asking you whether or not you were  
7 ever given any indication of what the potential revenue  
8 to you or revenue to PCI was in the Kodiak area back  
9 when you were going to take over from the Sales  
10 Manager? Do you recall that testimony?

11 A Yes.

12 Q Do you recall telling me that you came along about the  
13 time the antennas were torn down.....

14 A Uh-huh (affirmative).

15 Q .....and there wasn't going to be much because of that?

16 A Uh-huh (affirmative).

17 Q And I said yes, but did the prior Manager give you any  
18 indication about revenues or commissions, either one,  
19 and you told me no?

20 A No, Glenn had not given me any indication as to what he  
21 had made in the market.

22 Q So where do you get the \$100,000.00 to \$120,000.00?

23 A Just station talk, that that's what that area had  
24 generated. In sales those types of things go in one  
25 ear and out the other because of the simple fact that